

Ozarks Region

September 3, 2003

Rick Beasley, Director
Division of Workforce Development
P.O. Box 1087
Jefferson City, MO 65102

Dear Rick,

As mentioned in my letter of August 27th concerning the Ozark Region WIA Youth Corrective Action Plan, I have attached a list of issues relative to performance and procedures that impact our region.

This list contains several of the major factors affecting local performance levels. We believe that these ongoing and unresolved issues significantly affect WIA Youth performance measures and calculation methods, both at the state and national levels. Many of these issues are not new, and Toolbox changes and processes over time have compounded them. My staff and I would like a chance to discuss some of these with you or your staff. We believe satisfactory resolution of these concerns would greatly improve local and state goal attainment.

I look forward to hearing from you. If there are any questions, you may contact me at 417-887-4343, or Chuck Matthews our Youth Director at 417-841-3323.

Sincerely yours,

Robert E. Simpson, Director

Ozark Region WIA Youth Performance Concerns

1. Under Federal Regs (Aug 2000), we are directed to serve a client based on priority and funding levels, with those receiving public assistance, being homeless or having disabilities as a first priority, yet these clients are the hardest to serve, the least ready for services, and the least likely to obtain or retain employment. We are required to serve them because of their economic status as public assistance recipients or highly at-risk, yet we have no mechanism to compel them to participate, discipline them if they don't or cancel the registration and save performance levels. This is a concern for everyone because ALL youth must be WIA registered before any service can be delivered. This is compounded by the core, intensive and training services hierarchy not applying to youth clients, as it does for Adult and Dislocated Workers, and the rule that eligibility documentation must be dated within 30 days of the registration into Toolbox, therefore not allowing staff the ability to establish and observe a "track record" to determine if youth are likely to satisfactorily participate in activities or attain performance goals before being required to register them in Toolbox. We believe that in Missouri, this impact could be lessened by changes to DWD procedures and Toolbox entry options and edits. Many times because the Toolbox program or procedures are the only reason for not being able to correct data and save performance levels. We believe Toolbox should be means of recording services and activities, not a system that decides and directs what services should be delivered and when merely to satisfy data entry software requirements, as it currently appears to be.
2. Income a client (youth or adult) obtains that is from self-employment, family businesses, certain federal jobs and military, or earned in other states (where no reciprocity agreement exists with MO) is not counted toward the Earnings Change Rate (increase), simply because it is not reported in the UII system. Our understanding is that Missouri's system/process does not capture self-employment data, only employer wage matches, thus losing the automatic system retrieval of that data. Even when local areas document the income, state (and federal) authorities do not include this in the outcome calculations. This can be as much as 30%-50% of the youth we serve in a Program Year. This income is a result of our services but not part of our measured performance. These clients are counted in the denominator, but their income is not included in the numerator for that measure. This was important enough for federal and state authorities to publish policies, procedures and supplemental forms to partially address the concern.

MO needs reciprocity agreements with ALL surrounding states, **AND** US DOL needs to count the income from supplemental documentation local areas collect toward ECR. If they count the client toward employment entry and employment retention rates, why not count the income that the same client earns in the same period from that same employment towards the earnings change rate? It seems illogical to ignore this data, especially since local areas can, and often are, collecting and reporting that data on clients. This is an issue that could be addressed to federal authorities to aid in state performance levels as well.
3. It appears that supplemental data sent to DWD in November 2000, 2001 and October 2002 for clients counted in those annual performance periods have not been used to adjust 4th quarter data for inclusion in those annual reports. This data documented several items that show the region DID achieve at least 80% of performance goals on all youth measures, OY and YY. Most notably for our local region, the ECR was high enough to avoid being sanctioned, and would have positively contributed to improvements in state levels too.
4. Several youth who should be exempt from performance measures are still being counted in the calculations. In PYOI and PY02, client records showing exit due to incarceration or medical reasons are still in performance measures, even though Toolbox records showing the exit type appropriately.

5. Younger Youth (YY) Skills calculations for PY01 and PY02 are inaccurate. There have been skills entered by other regions into the Toolbox records of our region's youth, or duplicate skills entries from typographic errors caused by shifting Toolbox screens. These have been identified before, but our requests that they be removed (deleted) have not received appropriate attention by DWD staff. This which would make a 5%-10% change in outcome levels for PY02 alone.
6. A list of corrections to performance outcome measures in the first 3 quarters of PY02 have been submitted each quarter with negative response and no adjustments made to date. This will have a significant impact on PY02 final performance levels, and should be re-examined.
7. Other WIA regions (WIR's) are receiving credit for performance attained by our clients. This is in large part due to problems with the Toolbox program, and erroneous associations of zip codes to WIR's which are inaccurate. Many zip codes are part of more than one WIR, especially in rural areas of the state. When brought to DWD staff attention, they do not acknowledge that this is occurring, that it has an impact on local performance (since it is "a wash" for state performance), and/or do not attempt to address or correct it.
8. Minor errors or typos made in Toolbox are often not corrected, even when brought to the attention of DWD staff and explained. Give local regions the access to edits and deletion capability to remove these errors. Duplicate errors, and WIR's making entries in other WIR's client files are artificially causing poor performance levels.
9. DWD's performance calendar shows the 4th quarter data is "run" on 7/15/03, without allowing the 30 day data entry time allowed after the 6/30/03 quarter ending. This unnecessarily caused adverse performance levels in PYOI and PY 02 by calculating measures too soon. Another critical reason why a final supplemental data submission or "opening" of Toolbox for data entry and edits is necessary before an annual report is produced.
10. The youth performance outcome levels were renegotiated in PY 01 Q2, the changes appeared in the Q3 report, but were not retroactive to the beginning of PY01. This "skewed" the OY outcomes for ECR and ERR, and show the local area as not meeting performance levels for that quarter and PY. This was compounded by not having a PYO 1 Annual Report, and corrections submitted for that data not being adjusted into the report.
11. The outcome's time periods for calculating performance changed between PYOO Q4 and PY01 Q3, but locals were not informed until seeing the performance report for PY02 Q 1. Was the impact of this considered beforehand ?
12. Exiters in PY 00 Q4 were counted again in the PYOI Q1 report, which resulted in duplicate counts, and a recounting of negative outcomes. This happened again in PY01 Q4 and PY02 Q1. This had significant impact on outcomes and sanctions for OY.
13. PYO 1 Q4 values were used for PYO 1 annual numbers, in lieu of an annual report. This is problematic when only 2 of 7 youth measures contain 4 quarters (1 year) worth of data, not giving a true reflection of annual performance.
14. There was no PY 2001 Annual Report published. The state sanctioned local regions without producing annual reports for two consecutive years, however, the state issuance calls for two consecutive years' data to be present for comparison as part of the sanction justification.

MISSOURI

CareerCenter

Where jobs and opportunities meet,"

Ozark Region

August 27,2003

Rick Beasley, Director
Division of Workforce Development
P.O. Box 1087
Jefferson City, MO 65102

Dear Rick:

Please find attached a corrective action plan for the Ozark Region WIA Youth Program, as requested by Bev Kelsay in a telephone conversation on Tuesday, August 26,2003.

The plan outlines action steps being taken in the Ozark Region to address the Earnings Change Rate (ECR) for Older Youth (OY) performance outcome levels, which were deemed to have been deficient.

We believe the action plan fulfills the requirement for responding to the performance issue and we anticipate no disruption in the process of funding to the local Region for youth programs. .

Under separate cover we will also forward to you, for your review, a list of several contributing factors and unresolved items regarding overall WIA youth performance standards and measures and calculation methods. We believe satisfactory resolution of some of these matters would go a long way toward the attainment of both local and state goals.

We hope you will help us identify a preferred time and location for a group of cognizant state and local staff members (including you and me) to get together for the purpose of discussing these items in detail.

I will look forward to hearing from you.

Sincerely yours,

Robert E. Simpson, Director

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1514 S. Glenstone, Springfield, MO 65804-1436

OZARK REGION CORRECTIVE
ACTION PLAN FOR OY EARNINGS
CHANGE RATE (ECR)

I. The Situation:

The Older Youth (OY) Earnings Rate (ECR) was deemed to have been below 80% of the standard/goal set for this Region, for Program Year 2001.

The Ozark Region WIA Youth Services Operator has identified several action steps which will be taken to address and eliminate any deficiency in the coming Program Year.

II. Corrective Action(s):

In order to improve upon performance attainment levels in Older Youth (OY) outcomes, the following actions shall be taken to allow for improved documentation of outcomes, enhanced client follow-up contact and information collection, and enhancement of skills to achieve outcomes for clients, thereby increasing the employment and earnings:

- A. Dedicate a specially-trained staff person to conducting follow-up activities during day and evening hours (11:30 a.m. - 8:30 p.m.) to enhance the number of contacts with youth, improve information retrieval and documentation of outcomes attained, and encourage client use of resource areas and information for improved employment needs.
- B. Offer 4 WIA and 6 WIB-approved credentials youth can obtain to improve work readiness and occupational skills, thereby enhancing retention and earnings potential.
- C. Focus work experience and job placement activities for older youth (OY) on the for-profit employers to improve relevant skills, job retention and earnings potential.
- D. Institute an "exit interview" between the client, Case Manager and Follow-up Technician, to discuss the importance of contact and information collection during the follow-up period, as well as employment retention and earnings. (Also to explain what services and activities that they could still access in the MCC and youth office during follow-up and beyond.)
- E. Assist clients in setting up an e-mail account for use in contact with youth staff during the follow-up period.
- F. Offer follow-up job search and placement assistance, resource room activities, resume and interview assistance, and short-term credential assistance.
- G. Provide limited support services during follow-up period to aid in job retention and earnings increases.

- H. Document any post-service employment and earnings on supplemental forms and forward to State staff semi-annually.
- I. Contact surrounding states that youth move to in order to obtain any Unemployment Insurance (UI) or employer wage data.

III. Evaluation/Monitoring:

Youth program managers and follow-up staff will review accumulated follow-up data and calculate estimated performance measures on a quarterly basis to evaluate progress and effectiveness of these actions.



MISSOURI

DEPARTMENT OF ECONOMIC DEVELOPMENT

Bob Holden
Governor

DIVISION OF WORKFORCE DEVELOPMENT

Kelvin L. Simmons
Director

Rick Beasley
Director

421 East Dunklin Street
Post Office Box 1087 Jefferson
City, MO 65102-1087 (573) 751-
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Fax (573) 751-4088

July 9, 2004

The Honorable Darrell Decker
Presiding Commissioner
Greene County Courthouse
940 Boonville
Springfield, Missouri 65802

Dianna Devore, Facilities
Manager SRC Holdings Corp.
3140 E. Division
Springfield, Missouri 65802

Dear Commissioner Decker and Ms. Devore:

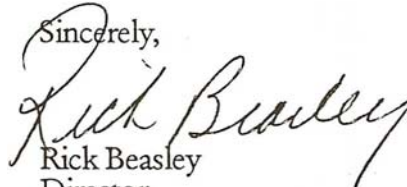
Thank you for your letter of June 4th, 2004, regarding the Workforce Investment Act sanction of the Ozark Region, Older Youth Earnings Change performance measures. The Division of Workforce Development (DWD) has always taken the position that if a region consecutively fails to meet its negotiated performance measures, we have a regulatory responsibility to ensure that steps are taken to obtain compliance. Those steps include a reduction of funding and formulation of a corrective action plan to correct the deficiencies.

To assist in the formulation and compliance to a corrective action plan, DWD will provide technical assistance to all regions in the state that require assistance in meeting their negotiated performance measures. DWD is committed to helping the regions succeed and will provide all available resources in the effort to correct the deficiencies and obtain compliance.

Technical assistance will be provided to you by Don Rahm, Adult Program Section, (573) 526-8268 and Kim Enloe Hargus, Planning and Research Section, (573) 751-5762. They have been assigned to be your points of contact and coordinate DWD's assistance to you in formulation and compliance to your corrective action plan to correct the deficiencies. Please feel free to contact Don or Kim for immediate assistance..

The Honorable Darrell Decker
Ms. Dianna Devore
July 9, 2004
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Thank you for your continuing concern in meeting the employment needs of the citizens in your community.

Sincerely,

Rick Beasley
Director

RB/DRIL W

c: Phyllis Johnson-Dyer
Chuck Matthews
Robert Simpson

June 4, 2004

Mr. Rick Beasley, Director Division
of Workforce Development P. O.
Box 1087
Jefferson City, MO 65102-1087

Dear Mr. Beasley:

We were disappointed-and somewhat surprised-to receive your letter of April 14, 2004, notifying us of the sanction being imposed upon the Ozark Region for failure to perform at 80 percent of the negotiated level for ~he Older Youth Earnings Change measure.

Bob Simpson has kept us informed over the past several months that the matter was being investigated and that a final decision was pending. However, Bob reported that at a TEAM meeting in November, 2003, you had indicated that local regions would not be subject to formal sanction, inasmuch as the State had met its performance goals.

Be that as it may, we are working hard with our sub-contractor (OACAC) to remedy the situation. We, appreciate your willingness to assist in the development of a detailed technical assistance plan for improving strategies to meet performance goals.

Your letter indicates that this plan "must be developed with DWD staff and approved by DWD's Director." Thus far, there has been no contact made by DWD staff. If we are to take the initiative to activate the process, please provide the name(s) of the individual(s) with whom Bob and Chuck Matthews should be in contact.

Sincerely,

Darrell Decker, Chair of Council of
Local Elected Officials Ozark Region

Eric Naegler, Chair of Workforce
Investment Board, Ozark Region

Cc: Phyllis Johnson-Dyer
Robert Simpson
Chuck Matthews
David Mitchem

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Bob Holden
Governor

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MISSOURI

DEPARTMENT OF ECONOMIC DEVELOPMENT

DIVISION OF WORKFORCE DEVELOPMENT

APR 19 2004

Kelvin L. Simmons
Director

Rick Beasley
Director

April 14, 2004

The Honorable Darrell Decker
Presiding Commissioner
Greene County Courthouse
940 Boonville
Springfield, Missouri 65802

Mr. Eric Naegler
Senior Recruiters, Inc.
3451 South Campbell
Springfield, Missouri 65807

Dear Commissioner Decker and Mr. Naegler:

This is to notify you of a Workforce Investment Act (WIA) sanction to the Ozark Region (Region) for failing to perform at 80 percent of the negotiated level for the Older Youth Earnings Change performance measure for a third consecutive year. This decision was based on the performance results reported to the Department of Labor for Program Years (PY) 2000, 2001, and 2002.

As stated in 20 CFR 666.420, should the region fail to meet a performance measure for two consecutive program years, the Governor must take corrective actions. Because the Region failed to achieve the performance in the measure listed above for a third consecutive year, the corrective action will be as follows:

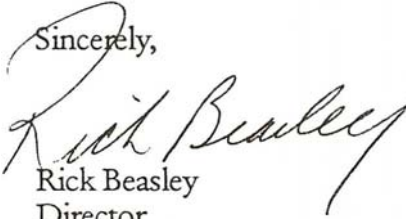
1. A 2 percent reduction to the Ozark Region's 2004 Youth WIA allocation. The application of a financial sanction for performance will be made to the allotment for PY 2004. In the event that the Region chooses to restructure the current service provider(s) for youth services, the sanction amount may be reduced to 1 percent. Notification of the change of service provider(s) must be submitted to the Division of Workforce Development (DWD) no later than June 30, 2004.
2. Develop a detailed technical assistance plan for service provider(s) to assist with improving strategies to meet performance goals. This plan must be developed with DWD staff and approved by DWD's Director. Submit to DWD a quarterly update of training and technical assistance that has occurred in the Region.

Commissioner Darrell Decker
Eric Naegler
April 14, 2004
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3. Submit a plan modification reflecting strategies to meet performance goals. The modification must address any deficiencies in program design and service strategies that have inhibited performance, including reporting problems. This must be submitted to DWD no later than July 30, 2004.

[In the event that the Region fails to comply with the corrective action or fails to achieve a specific performance indicator/program score for a fourth consecutive year, the state will mandate the change of youth service provider(s) and may recommend additional sanctions or recommend redesignation of the Region.

The Region may request a review of a decision to impose a sanction. In accordance with 20 CFR 667.420(c), such an appeal must be submitted in writing to the Director of DWD within 21 days of receipt of this notice.

Sincerely,

Rick Beasley
Director

RB/MW/DP

Phyllis Johnson-Dyer
Robert Simpson
Chuck Matthews
David Mitchem